

**RESOLUTION NO. 3274**

**A RESOLUTION APPROVING A SUPPLEMENTAL BUDGET AND BUDGET APPROPRIATION ADJUSTMENTS FOR THE 2021-2023 BIENNIAL BUDGET PERIOD BEGINNING JULY 1, 2021.**

THE CITY COUNCIL OF THE CITY OF BEND RESOLVES AS FOLLOWS:

**1. Create a New Special Revenue Fund, the American Rescue Plan Act Fund and Supplemental Budget Requiring Public Hearing – Adjusting Expenditures > 10%**

<u>American Rescue Plan Act Fund</u>	Increase	Decrease
Resources:		
Interfund transfer revenue	\$ 7,038,300	
Requirements:		
Community & Economic Development Program	\$ 831,000	
Interfund Transfers	\$ 4,957,900	
Reserves	\$ 1,249,400	

Create a new special revenue fund, the American Rescue Plan Act Fund. Creation of this fund was discussed with the City Council on July 21, 2021 and is intended to increase the transparency of the use of American Rescue Plan Act (ARPA) funds.

Recognize \$7,038,300 of interfund transfer revenue from the General Fund, which is the amount of ARPA funds received to date. All future state and federal ARPA revenues will be deposited directly into this Fund. Funds will be used as follows:

- Increase expenditure appropriations in the Community & Economic Development Program by \$831,000 for the items below, in support of City Council’s Shared Prosperity goal:
  - \$431,000 for the addition of a Recovery Strategy & Impact Officer (1 limited term employee (LTE)) for two years to lead the City’s ARPA fund. See the corresponding Issue Summary for additional detail.
  - \$200,000 to support community requests for assistance with recovery efforts from COVID-19.
  - \$200,000 to provide utility bill assistance for low-income residential customers facing financial hardships.
- Increase expenditure appropriations \$4,957,900 in Interfund Transfers for other ARPA eligible positions, projects and initiatives in support of City Council goals, outlined in sections 2 and 3 below.
- Increase Reserves \$1,249,400 for ARPA funds received to date that will be allocated by the Stewardship Subcommittee in the future.

**2. Recognize and Expend Revenue from the American Rescue Plan Act: Supplemental Budget Requiring Public Hearing – Adjusting Expenditures > 10%**

<u><b>Affordable Housing Fund</b></u>	<b>Increase</b>	<b>Decrease</b>
Resources:		
Interfund transfer revenue	\$ 462,400	
Requirements:		
Community & Economic Development Program	\$ 462,400	

Recognize interfund transfer revenue from the American Rescue Plan Act Fund and increase expenditure appropriations in the Community & Economic Development Program by \$462,400 for the items below, in support of City Council’s Housing goal:

- Increase expenditure appropriations in personnel services by \$62,400 to increase an existing Executive Assistant position from a .5 full-time equivalent (FTE) to a 1.0 FTE. See the corresponding Issue Summary for additional detail.
- Increase expenditure appropriations in materials & services by \$400,000. The funds will be disbursed to projects already awarded affordable housing or Community Development Block Grant (CDBG) funds to help mitigate the increasing costs of housing development and construction and ensure the projects come to fruition.

<u><b>Business Advocacy Fund</b></u>	<b>Increase</b>	<b>Decrease</b>
Resources:		
Interfund transfer revenue	\$ 250,000	
Requirements:		
Community & Economic Development Program	\$ 250,000	

Recognize interfund transfer revenue from the American Rescue Plan Act Fund and increase expenditure appropriations in the Community & Economic Development Program in materials & services by \$250,000 to support City Council’s Shared Prosperity goal by providing awards to partner agencies to directly support childcare providers and to create work force training cohorts to increase skilled labor supply in both the construction industry and the childcare industry. Awards will be based on recommendations from Bend Economic Development Advisory Board.

**3. Recognize and Expend Revenue from the American Rescue Plan Act: Supplemental Budget Not Requiring Public Hearing – Adjusting Expenditures < 10%**

<u>General Fund</u>	Increase	Decrease
<b>Resources:</b>		
Beginning working capital	\$ 7,038,300	
Interfund transfer revenue	\$ 1,070,000	
 <b>Requirements:</b>		
Public Safety Program	\$ 1,000,000	
Community & Economic Development Program	\$ 70,000	
Interfund Transfers	\$ 7,038,300	

Recognize \$7,038,300 of additional beginning working capital related to American Rescue Act Funding that was received in fiscal year 2021, and increase expenditure appropriations in Interfund Transfers to transfer the balance to a new American Rescue Plan Act Fund. All future state and federal ARPA revenues will be deposited directly into the new fund.

Recognize interfund transfer revenue from the American Rescue Plan Act Fund and increase expenditures in the Public Safety Program in personnel services by \$1.0M for reimbursement for four traffic and patrol officer positions that were eliminated as a result of COVID-19 budget reductions.

Recognize interfund transfer revenue from the American Rescue Plan Act Fund and increase expenditures in the Community & Economic Development Program in materials & services by \$70,000 to support design and planning of new or upgraded outdoor spaces in Downtown Bend. This will support City Council’s Shared Prosperity goal.

<u>Internal Service Fund: City Wide Administration</u>	Increase	Decrease
Resources:		
Interfund transfer revenue	\$ 2,963,700	
Requirements:		
Administration & Central Services Program	\$ 2,963,700	

Recognize interfund transfer revenue from the American Rescue Plan Act Fund and increase expenditure appropriations in the Administration & Central Services Program in personnel services by \$650,400 to pay for the following three positions in support of City Council's Accessible & Effective City Government goal: \$290,500 for a Community Relations Manager (1 FTE) in the Communications Department, \$232,400 for an Information Systems Analyst (1 FTE) in the Office of Performance Management, \$127,500 for an Information Security Administrator (not new FTE) in the Information Technology Department. See the corresponding Issue Summary for additional detail.

Recognize interfund transfer revenue from the American Rescue Plan Act Fund and increase expenditure appropriations in the Administration & Central Services Program by \$2,313,300 for the following Facilities Management Department expenditures in support of City Council's Housing goal. See the corresponding Issue Summary for additional detail:

- Increase expenditure appropriations in personnel services by \$213,300 for a Facilities Technician (1 FTE).
- Increase expenditure appropriations in materials & services by \$1,500,000 for a managed/authorized encampment to serve the City's houseless population.
- Increase expenditure appropriations in materials & services by \$500,000 for renovations on the former Bend Value Inn. The former Bend Value Inn was acquired with OCF Project Turnkey Grant funds to be used as a non-congregate shelter for people experiencing homelessness or at-risk of homelessness.
- Increase expenditure appropriations in materials & services by \$100,000 for due diligence on the Opportunity Foundation property to establish shelters for the City's houseless population.

<u>Internal Service Fund: Departmental Administration</u>	Increase	Decrease
Resources:		
Interfund transfer revenue	\$ 211,800	
Requirements:		
Administration & Central Services Program	\$ 211,800	

Recognize interfund transfer revenue from the American Rescue Plan Act Fund and increase expenditure appropriations in the Community & Economic Development Program in the Community Development Department (CDD) Administration personnel services budget by \$211,800 for a Communication Coordinator (1 FTE) to support City Council's Housing goal by developing proactive outreach and engagement opportunities that can provide educational opportunities and improve community understanding of land use and growth.

**4. Other Budget Adjustments to Support City Council Goals: Supplemental Budget Requiring Public Hearing – Adjusting Expenditures > 10%**

<u>Affordable Housing Fund</u>	Increase	Decrease
Resources:		
Intergovernmental revenue	\$ 2,500,000	
Interfund transfer revenue	\$ 500,000	
Requirements:		
Community & Economic Development Program	\$ 3,000,000	

Recognize State funding from HB2004 and increase expenditure appropriations in the Community & Economic Development Program by \$2,500,000 in materials & services to support City Council’s Housing goal to award funds to create and manage a Navigation Center and low barrier shelter.

Recognize interfund transfer revenue from the General Fund and increase expenditure appropriations in the Community & Economic Development Program in materials & services by \$500,000 to support City Council’s Housing goal by creating incentives for developers/builders to build more housing units available to middle income households.

**5. Other Budget Adjustments to Support City Council Goals: Supplemental Budget Not Requiring Public Hearing – Adjusting Expenditures < 10%**

<u>General Fund</u>	Increase	Decrease
Resources		
Beginning working capital	\$ 180,000	
Requirements:		
Public Safety Program		\$ 1,000,000
Community & Economic Development Program	\$ 500,000	
Interfund Transfers	\$ 680,000	

Decrease expenditure appropriations by \$1,000,000 in the Public Safety Program in personnel services due to anticipated savings. The savings will be used to fund the items below in support of City Council's Housing goal:

- Increase expenditure appropriations in the Community & Economic Development Program in the Growth Management division by \$500,000 of which \$300,000 will be used to develop City-wide land use scenarios and \$200,000 will be used to advance the concept plan for the Division of State Lands property subject to House Bill 3318, which aims to adopt measures to meet housing needs on schedule.
- Increase expenditure appropriations in Interfund Transfers to the Affordable Housing Fund by \$500,000 to create incentives for developers/builders to build more housing units available to middle income households.

Recognize \$180,000 of additional beginning working capital and increase expenditure appropriations in Interfund Transfers to the Internal Service Fund: City Wide Administration in the Facilities Management Department to fund the City contribution to the purchase (\$115,000), and ongoing operating costs including utilities and costs for a property manager to manage existing tenants (\$65,000).

**Transportation Construction Fund**

Requirements:

	Increase	Decrease
Infrastructure Program	\$ 200,000	
Reserves for Future Construction		\$ 200,000

Reduce reserves and increase expenditure appropriations in the Infrastructure Program to fund a portion of the Oregon Department of Transportation design and build contract to include a feasibility design for an East / West separated bike and pedestrian crossing of Highway 97 and railroad between Empire Ave and Cooley. This proposed adjustment is in support of City Council's Transportation and Infrastructure goal.

**Internal Service Fund: City-wide Administration**

Resources:

	Increase	Decrease
Sale of asset proceeds	\$ 1,727,800	
Grant revenue	\$ 500,000	
Interfund transfer revenue	\$ 1,063,000	

Requirements:

Administration & Central Services Program	\$ 1,563,000	
Interfund Transfers	\$ 562,800	
Debt Service	\$ 1,165,000	

Recognize \$1,063,000 in interfund transfer revenue and \$500,000 in grant revenue from the Opportunity Foundation and increase expenditure appropriations in the Administration & Central Services Program in personnel services by \$1,563,000 for the following positions: \$234,300 for a Communications Coordinator (1 FTE) in the Communications Department, \$205,700 for a Human Resources Program Specialist (1 FTE) in the Human Resources Department, \$140,000 for a Law Clerk (1 FTE) in the City Attorney's Office, \$303,000 for a Principal Budget & Financial Analyst (1 FTE) in the Finance Department. See the corresponding Issue Summary for additional detail. A resolution requesting an increase to the staffing schedule is included in a separate agenda item.

Increase expenditure appropriations by \$680,000 to fund costs associated with the purchase and renovations of the Bend Value Inn that are required for conversion to a shelter for the City's houseless population. This is in addition to \$500,000 of ARPA funded renovations included in section 3 of this resolution for a total cost of \$1,180,000. Costs included in the General Fund interfund transfer of \$180,000 include the City contribution to the purchase (\$115,000), and ongoing operating costs including utilities and costs for a property manager to manage existing tenants (\$65,000).

Recognize \$1,727,800 of additional sale of asset proceeds from the sale of vacant land at the City's Utility Campus on Boyd Acres and increase expenditure appropriations in Debt Service by \$1,165,000 to pay off the outstanding debt on the 2016 full-faith and credit bonds and in Interfund Transfers by \$562,800 to transfer the balance of sale proceeds to the Water, Water Reclamation and Stormwater Funds which originally funded the purchase of the land.

**Internal Service Fund: Departmental Administration**

	<b>Increase</b>	<b>Decrease</b>
<b>Resources:</b>		
Interfund transfer revenue	\$ 603,300	
<b>Requirements:</b>		
Community & Economic Development Program		\$ 603,300

Recognize interfund transfer revenue and increase expenditure appropriations in the Community Development Department (CDD) Administration Program in personnel services by \$603,300 to support City Council's Accessible & Effective City Government goal by reducing review time by funding the following positions: \$221,300 for an Administrative Support Specialist (1 FTE), \$382,000 for a Deputy Director (1 FTE). See the corresponding Issue Summary for additional detail.

**6. Other Budget Adjustments to Support City Council Goals: Budget Transfers of Operating Contingency < 15% - Not Requiring Supplemental Budget**

<u><b>Building Fund</b></u>	<b>Increase</b>	<b>Decrease</b>
Requirements:		
Community & Economic Development Program	\$ 307,900	
Interfund Transfers	\$ 392,100	
Contingency		\$ 700,000

Reduce Contingency and increase appropriations in the Community & Economic Development program in personnel services by \$307,900 to support City Council's Accessible & Effective City Government goal by funding a Building Plans Examiner (1 FTE). See the corresponding Issue Summary for additional detail.

Reduce Contingency and increase appropriations in Interfund Transfers to the Internal Service Fund: Departmental Administration by \$392,100 to fund the positions proposed in section 5 in the Community Development Department (CDD) Administration Program.

<u><b>Planning Fund</b></u>	<b>Increase</b>	<b>Decrease</b>
Requirements:		
Community & Economic Development Program	\$ 183,300	
Interfund Transfers	\$ 120,700	
Contingency		\$ 304,000

Reduce Contingency and increase appropriations in the Community & Economic Development program in personnel services by \$183,300 to support City Council's Accessible & Effective City Government goal by funding a Planning Technician. (1 FTE). See the corresponding Issue Summary for additional detail.

Reduce Contingency and increase appropriations in Interfund Transfers to the Internal Service Fund: Departmental Administration by \$120,700 to fund the positions proposed in section 5 in the Community Development Department (CDD) Administration Program.



**Private Development Engineering Fund**

**Increase**

**Decrease**

Requirements:

Community & Economic Development Program	\$	494,600	
Interfund Transfers	\$	90,500	
Contingency			\$ 585,100


Reduce Contingency and increase appropriations in the Community & Economic Development program in personnel services by \$494,600 to fund the following two positions; Engineering Technician (1 FTE), Engineering Associate (1 FTE). See the corresponding Issue Summary for additional detail.

Reduce Contingency and increase appropriations in Interfund Transfers to the Internal Service Fund: Departmental Administration by \$90,500 to fund the positions proposed in section 5 in the Community Development Department (CDD) Administration Program.

Adopted by a vote of the Bend City Council on August 18, 2021.

YES: Mayor Sally Russell  
Mayor Pro Tem Gena Goodman Campbell  
Councilor Barb Campbell  
Councilor Melanie Kebler  
Councilor Anthony Broadman  
Councilor Megan Perkins  
Councilor Rita Schenkelberg

NO: none



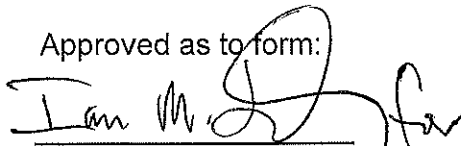
Sally Russell, Mayor

ATTEST:



Robyn Christie, City Recorder

Approved as to form:



Mary Winters, City Attorney